

EXECUTIVE SUMMARY

The purpose of Treasury's strategic management effort is to improve *results* delivered to the American public. Last year the Department transmitted to Congress, as part of the budget, a final performance plan for FY 2000 that detailed the performance targets for Treasury's bureaus and offices.

Overall, the Department established 340 performance targets in FY 2000. Of these, 46 measures were either baselined in FY 2000, were qualitative and not objectively measurable, or had no data available for FY 2000. Of the remaining 299 measures that were objectively measurable, Treasury:

- Met or exceeded 196 targets (roughly two-thirds);
- Improved performance over FY 1999, or maximized performance, for 154 measures;
- Did not meet 98 targets.

Treasury has three programmatic mission areas (Economic, Financial and Law Enforcement), and one support mission area (Management). FY 2000 performance highlights for each mission area are presented below.

Economic Mission: Promote Prosperous and Stable American and World Economies

On the domestic side, Treasury continued to work closely with executive branch agencies and offices to monitor economic outlook and policy issues, including development of Administration policies and policy positions, and evaluations of alternative policy proposals. Treasury's Office of Tax Policy completed a number of projects aimed at simplifying the regulatory environment surrounding pension plans. Particularly noteworthy has been the ruling which permits automatic enrollment of new employees in 401(k)s and other similar pension plans.

In the global arena, Treasury was influential in obtaining international cooperation to relieve the debt of many heavily indebted poor countries, particularly in Africa. Work continued to promote global financial stability through cooperation and information exchange with the international Financial Stability Forum (FSF), which Treasury helped establish in 1999. In 2000, three FSF working groups helped strengthen the international financial architecture with their reports recommending improvements in risk management, disclosure practices among financial institutions, and oversight of creditor institutions. Treasury also took the lead in integrating various agencies and organizations' efforts to curb international money laundering, corruption, and other financial crimes that could undermine the credibility of the global financial system.

Financial Mission: Manage the Government's Finances

Continuing its efforts to improve compliance with tax laws and collect the revenue due to the Federal government, the IRS and FMS launched a pilot project to allow taxpayers to pay electronically. The U.S. Customs Service continues to collect approximately 99% of the duties and taxes amount due. In keeping with its electronic payments strategy, Treasury again reduced check payments while increasing electronic payments by more than 15 million in FY 2000. The Department also issued new regulations for Treasury debt buybacks and began buyback operations, all of which went smoothly with heavy participation by the market. Treasury was able to buy back over \$21 billion of debt held by the public during FY 2000. In addition, Treasury implemented savings bonds purchases over the Internet, resulting in \$85.8 million bonds sold in FY 2000. The Bureau of Engraving and Printing achieved manufacturing cost reductions in FY 2000 and introduced the newly redesigned \$5 and \$10 notes for further protection from counterfeiting. The Mint saw an increase of 107% in the number of numismatic products shipped to customers in FY 2000, and maintained or improved performance on 5 of its 8 customer service standards.

Law Enforcement Mission: Safeguard Our Financial Systems, Protect Our Nation's Leaders, and Secure a Safe and Drug Free America

Treasury made progress in all of its strategic goals. In March 2000, Treasury published the second in a series of five annual National Money Laundering Strategy reports called for by the Money Laundering and Financial Crimes Strategy Act of 1998. The Strategy contains over 60 action items to help law enforcement and regulatory agencies in the fight against financial crimes, including money laundering. Treasury continued to expand its violent crime prevention efforts by introducing on the Internet a new "eZ Check" system. The new system helps members of the firearms industry ensure that no firearms licenses are used fraudulently by individuals who alter copies of licenses to illegally acquire and supply firearms to criminals and youth.

Management Mission: Continue to Build a Strong Institution

Treasury continued to work to improve internal management and support operations and to improve program performance. In order to attract and retain a high-quality workforce, Treasury used a variety of recruitment tools, including private sector expertise in marketing, advertising, search firms, and Internet recruiting. Treasury continued to improve quality and timeliness of the Department's financial data, reducing the number of material weaknesses, and maintaining a qualified audit opinion on its FY 1999 financial statements (and eliminating one of two items causing the qualified opinion). Treasury's Capital Investment Review Board approved nine capital investments (three information technology and six non-information technology). The Department continued its Building Modernization and Renovation work at the main Treasury building in Washington, D.C. In an effort to gauge the success of our programs using a more balanced approach to measurement, several bureaus instituted regular feedback processes for measuring and improving customer and employee satisfaction.

Treasury-wide Performance Summary				
Total Measures	Targets Met	Targets Not Met	Other	Maximum or Improved Performance
340	196 (58%)	98 (29%)	46 (13%)	154 (45%)